



WORKFORCE OBSERVATIONS

State of Wisconsin
Department of Workforce Development
Office of Economic Advisors

JULY 2004

FOR MILWAUKEE/WOW COUNTIES

MILWAUKEE, WASHINGTON, OZAUKEE AND WAUKESHA COUNTIES

RISE IN UNEMPLOYMENT RATES MASKS OVERALL IMPROVEMENT

June's unemployment rate for **Milwaukee County** registered 7.0 percent, which is five-tenths of a percentage point higher than in May. The May to June change shows over 8,200 more employed residents and 3,500 more unemployed. Compared to last June the unemployment rate is eight-tenths of a percentage point lower with over 9,300 more employed and over 3,400 fewer unemployed.

Washington County showed an increase in its rate to 4.7 percent in June from 4.4 percent in May. Compared to June 2003, the unemployment is almost one point lower representing almost 1,400 more employed in the county and a decrease of over 600 unemployed residents.

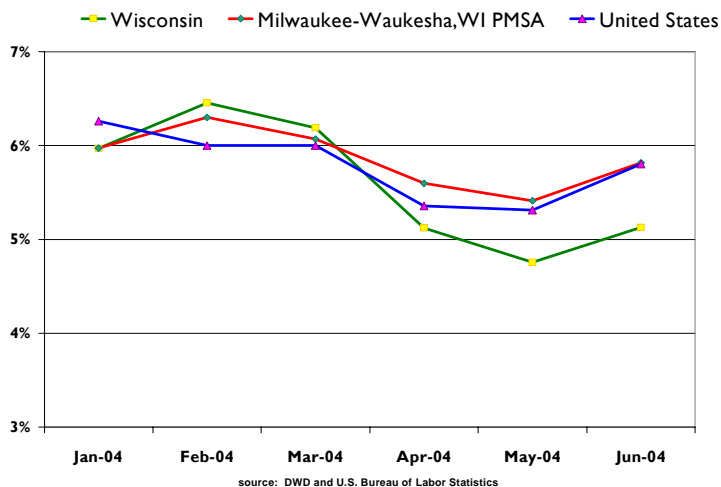
Ozaukee County's unemployment rate was 3.3 percent in June;

up from 3.1 percent in May and is considerably lower than the clip of 4.6 percent registered in June 2003. Ozaukee showed one of the state's largest annual declines in unemployment rate. And the fact that this county typically has one of the lowest rates in the state already in place makes this drop much more remarkable.

Waukesha County's unemployment rate rose slightly to 4.0 percent, which is a monthly increase of one-tenth of a percentage point. The annual comparison shows the current rate is eight-tenths of a point lower than that of last June.

The not seasonally adjusted unemployment rate of the **Milwaukee-Waukesha MSA** was 5.8 percent in June, an increase of four-tenths of a percentage point since May. The numbers of both employed and the unemployed increased over the month in an expected fashion. The number of unemployed grew proportionately faster than the employed precipitating the unemployment rate increase. This is normal

Six-Month Unemployment Rate Watch



Civilian Labor Force Estimates for Milwaukee-Waukesha MSA counties: June 2004

	Wisconsin			Milwaukee-Waukesha MSA			Milwaukee County		
	Jun-04	May-04	Jun-03	Jun-04	May-04	Jun-03	Jun-04	May-04	Jun-03
Labor force	3,176,221	3,098,839	3,140,453	850,113	831,617	840,212	503,981	492,242	498,027
Employed	3,013,391	2,951,450	2,958,161	800,670	786,598	784,658	468,630	460,394	459,258
Unemployed	162,830	147,389	182,292	49,443	45,019	55,554	35,351	31,848	38,769
% Unemployed	5.1%	4.8%	5.8%	5.8%	5.4%	6.6%	7.0%	6.5%	7.8%
	Washington County			Ozaukee County			Waukesha County		
	Jun-04	May-04	Jun-03	Jun-04	May-04	Jun-03	Jun-04	May-04	Jun-03
Labor force	72,142	70,676	71,392	50,056	49,050	49,697	223,935	219,649	221,096
Employed	68,786	67,577	67,411	48,387	47,536	47,419	214,867	211,091	210,570
Unemployed	3,356	3,099	3,981	1,669	1,514	2,278	9,068	8,558	10,526
% Unemployed	4.7%	4.4%	5.6%	3.3%	3.1%	4.6%	4.0%	3.9%	4.8%

Source: U.S. Bureau of Labor Statistics and DWD, Local Area Unemployment Statistics. Figures are not seasonally adjusted and current month's data are preliminary

Industry Employment Estimates for the Milwaukee-Waukesha MSA: June 2004

Place of Work Employment in 1,000's	Wisconsin			Milwaukee-Waukesha MSA		
	June 2004	Change since May 2004	Change since June 2003	June 2004	Change since May 2004	Change since June 2003
All Industries	2,870.6	36.8	46.8	852.5	8.6	12.3
Construction/Natural Resources	138.1	7.1	0.5	32.8	1.0	-2.4
Manufacturing	518.9	10.5	9.3	137.1	2.4	0.0
Retail Trade	327.2	4.4	8.3	80.3	-0.7	-2.0
Wholesale Trade	120.0	2.3	6.1	41.4	0.1	1.0
Transport/Warehouse/Utilities	107.5	1.7	-0.2	31.9	0.5	1.3
Financial Activities	160.6	1.2	1.9	61.1	0.0	2.1
Education and Health Services	373.3	-2.1	8.5	133.1	-0.9	5.3
Leisure and Hospitality	269.2	11.4	6.5	73.4	2.8	4.5
Info./Prof./Bus.and Other Services	442.3	6.7	11.7	167.5	2.6	3.7
Information	48.6	-0.1	-1.2	19.4	0.1	1.0
Professional and Business Services	263.0	7.1	16.9	108.9	2.8	5.3
Other Services	130.7	-0.3	-4.0	39.2	-0.3	-2.6
Fed/State/Local Government	413.5	-6.4	-5.8	93.9	0.8	-1.2

Source: U.S. Bureau of Labor Statistics and DWD, Current Employment Statistics. Figures are rounded and may not sum to total. Current month's figures are preliminary

for June's unemployment rate to rise as the number of job seekers tends to increase dramatically in June coinciding with the more numerous job opportunities that make themselves available in the summer months.

Annually, the metro unemployment rate is a considerable eight-tenths of a percentage point lower than in June 2003. Undoubtedly, the labor force changes have been quite an improvement in 2004 and June was no exception. The labor force shows that the four-county area has 16,000 more employed and 6,200 fewer unemployed in reference to June 2003.

The tally of the nonfarm wage and salary estimates in the **Milwaukee-Waukesha MSA** measures 852,500 total jobs in June 2004. This is an increase of 8,600 total jobs since May and is 12,300 jobs higher than in June 2003. This is the first time that the metro area has been over the 850,000-job mark since October 2001. June usually has the highest, total industry employment numbers of the calendar year.

The monthly industry employment highlights showed that both goods-producing sectors, construction and

manufacturing, had employment gains of 900 and 2,400 jobs, respectively. The gain in manufacturing employment was particularly large for June with one having to go back to 1997 to see an increase so large in this month. Industries showing larger employment losses over the month were educational services (-1,500 jobs) and retail trade (-700 jobs). It should be mentioned that the *education and health services* sector shows a loss of only 900 jobs due to a 600-job increase in health services employment over the month. Employment gains were seen in the majority of sectors, particularly in the professional and business services sector, which gained 2,800 jobs since May. Local government employment posted a gain of 800 jobs. Transportation, warehousing and utilities gained 500 jobs.

The metro area's annual change in industry employment shows an overall increase of 12,300 jobs. This marks the third consecutive month to show an annual net increase in the number of jobs. June's annual net improvement is a first for this month since June 2000 showed an annual increase. The sectors showing the larger annual gains in the metro area were education and health services (+5,300 jobs), leisure

and hospitality (+4,500 jobs); and information, professional business, and other services (+3,700 jobs). Financial activities employment gained 2,100 jobs. Four sectors showed an annual loss of employment. Construction, trade, other services and total government employment showed negative change compared to June 2003. Manufacturing employment showed no net change over the year. This can be viewed as welcome news given the fact that the last time the annual change in manufacturing employment was not in negative territory was in November of 1998.

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